

CAMPAIGN COMMITTEES



Virginia's Campaign Finance Disclosure Act
Summary of Laws and Policies
for
Candidates and Their Committees
Revised August 2004

Title 24.2, Chapter 9 - 9.2 of the *Code of Virginia*

COMMONWEALTH OF VIRGINIA
VIRGINIA STATE BOARD OF ELECTIONS
200 N. 9TH STREET, SUITE 101
RICHMOND, VIRGINIA 23219-3497

Toll-free within Virginia 800-552-9745 or 804-864-8901
Fax Number: 804-786-1364
Visit our website: www.sbe.state.va.us

Table of Contents

CHAPTER 1 - INTRODUCTION	4
General Information	4
State Board of Elections Campaign Finance Staff	4
Purpose of <i>Summary</i>	4
Related Publications	4
Elections Not Covered	5
Internal Revenue Service Requirements	5
Federal Candidates and Committees	5
Definition of Terms	6
CHAPTER 2 – CANDIDATE’S CAMPAIGN COMMITTEE	9
Starting a Campaign Committee	9
Closing A Campaign Committee	10
CHAPTER 3 – TREASURERS	14
Campaign Treasurers	14
Duties and Responsibilities of Treasurers	14
Changes or Vacancies in the Position of Treasurer	14
CHAPTER 4 – REPORT CONTENTS	15
Contributions and Receipts	15
Other Contribution Policies	17
Other Receipts	18
Returned Check Policy	18
Loans	18
Expenditures/Disbursements	18
Record Keeping	19
CHAPTER 5 – REPORT FILING REQUIREMENTS	23
Exemption from Reporting	23
Contribution and Expenditure Reporting Schedules	23
Where to File Reports	25
When to File Reports	25
Extension of the Filing Deadline	26
Special Large Pre-Election Contributions	26

Large Contribution Reports for Local Candidates _____	27
Other Reporting Policies _____	28
CHAPTER 6 – VIOLATIONS OF THE ACT/PENALTIES _____	29
Failure to File or Late Filing _____	29
Prescribed Civil Penalties _____	29
Incomplete Reports _____	31
Statewide Office Additional Penalties _____	32
Willful Violations _____	32
CHAPTER 8 – FORMS AND INSTRUCTIONS _____	33
Campaign Finance Reporting Forms _____	33

CHAPTER 1 - INTRODUCTION

General Information

The Virginia State Board of Elections (SBE) provides information and resources to assist candidates and committees in complying with the provisions of the Campaign Finance Disclosure Act, Chapter 9 of Title 24.2 of the Code of Virginia (CFDA). To that end, we have assembled this *Summary of Virginia's Campaign Finance Laws and Policies* (hereafter referred to as "*Summary*"), which outlines the requirements of the Campaign Finance Disclosure Act and related policies.

The most common mistakes made by candidates and their treasurers involves understanding the importance of filing campaign finance reports and Statement of Organization forms in a timely manner. As a candidate, treasurer, or committee chairman, you should familiarize yourself with this *Summary* for it will serve as a valuable resource. Of course, the Campaign Finance staff is always available by telephone, facsimile, or e-mail to provide assistance.

State Board of Elections Campaign Finance Staff

SBE staff is available to assist you in preparing reports and interpreting the requirements of the CFDA. Should you have questions or require clarification, contact:

Chris Piper, Campaign Finance Administrator, email: chris.piper@sbe.virginia.gov

Rise Miller, Political Committee Specialist, email: rise.miller@sbe.virginia.gov

Marian Mines, Campaign Committee Specialist, email: marian.mines@sbe.virginia.gov

Tina Edmonds, Compliance Specialist, email: tina.edmonds@sbe.virginia.gov

Purpose of *Summary*

§24.2-903 requires the State Board of Elections to prepare and make available a summary of the Campaign Finance Laws in Virginia. This document has been prepared to assist the filer in understanding the law and policies set forth by the State Board of Elections. SBE makes this *Summary* available on the Internet to all candidates, their treasurers, to treasurers of political committees and the general public. It is also available upon request. This manual is a basic reference tool, and is *not* a substitute for the actual law (a copy of which is available for purchase or to read on-line on our website: http://www.sbe.state.va.us/Campaign_Finance/)

Related Publications

Candidates and their treasurers should also familiarize themselves with the State Board of Elections' *Summary of Laws and Policies: Stand By Your Ad* to understand the guidelines governing political advertisements.

Elections Not Covered

The provisions of CFDA do not apply to primaries and elections for:

- ⇒ **Members of the United States Congress;**
- ⇒ **Town office in a town with a population of less than 25,000;**
- ⇒ **Directors of soil and water conservation districts; or**
- ⇒ **Political Party Committee Officers.**

In addition, corporations and unions that make contributions from their direct operating funds are not subject to the requirements of CFDA. However, they are subject to reporting requirements if they make an Independent Expenditure in excess of \$500 for a statewide election or \$200 for any other election.

Internal Revenue Service Requirements

For political organizations established under section 527 of the Internal Revenue Code, there exist expanded reporting and disclosure requirements. These “527 groups” are required to publicly disclose details about their organization, contributors, expenditures, annual returns and other information. Political parties, campaign committees for candidates for federal, state or local office and political action committees are all political organizations subject to tax under [§527](#).

SBE has no authority or responsibility to provide any advice regarding federal campaign finance or tax laws. Therefore, if you have questions regarding whether or not your campaign meets the requirements of the federal law please contact the Internal Revenue Service. Their website address is <http://www.irs.gov/charities/political/index.html>.

Federal Candidates and Committees

An individual who wishes to become a candidate for:

- ⇒ **President of the United States;**
- ⇒ **Vice-President of the United States;**
- ⇒ **United States Senate;**
- ⇒ **United States House of Representatives; or**

any political committee wishing to support or oppose those federal candidates must contact the Federal Election Commission (FEC) to obtain forms and information pertaining to federal campaign finance requirements and filing deadlines. You may contact the FEC at:

800-424-9530 (toll-free) or 202-694-1100 (within the Washington, D.C. area)
www.fec.gov – Internet address
999 E. Streets, NW, Washington, DC 20463-0002 – U.S. Mail

Since Virginia participates in FEC’s State Filing Waiver Program and provides public electronic access to federal campaign finance reports via the Internet, federal candidates and committees that have activity in Virginia no longer file copies of their campaign finance reports with SBE. The FEC (and *not* SBE) enforces federal campaign finance laws.

Definition of Terms

The following are definitions of the terms used in this Summary that are of principal importance to candidates or treasurers. Candidates and Treasurers should refer to these definitions while reviewing this Summary. Please keep in mind that some of the terms, while not specifically defined in CFDA, are useful in understanding this document. If you wish to read the exact definition as they appear in CFDA, you may refer to **§24.2-901** of the Code of Virginia.

Adjournment sine die – adjournment on the last legislative day of the regular session and such session does not include the ensuing reconvened session.

Aggregate Contribution – the total amount of contributions made by an individual or other entity during an election cycle.

Candidate – an individual who seeks nomination for election, or election to public office, in the Commonwealth of Virginia whether or not that person's name is on the ballot. An individual will be considered a candidate seeking nomination for election or re-election if he/she has:

- ⇒ **Personally, or through another person, solicited or received funds or other things of value, or made expenditures, including expenditures from personal funds, for the purpose of bringing about such individual's nomination or election to any office; or**
- ⇒ **Has been endorsed or nominated by a Political Party and is thus entitled to a position on the ballot at an election or primary (whether or not funds or resources have been solicited, received or expended); or**
- ⇒ **Is otherwise qualified for placement on the ballot pursuant to the election laws (whether or not funds or resources have been solicited, received or expended).**
- ⇒ **Has not filed a final report for the previous election cycle prior to a new election cycle begin date. In this instance, an individual will be considered a candidate for the same office in the succeeding election for administrative purposes (see §24.2-914).**

Candidate Types:

Local Candidate – Candidate for a city, county or town's local or constitutional offices.

General Assembly Candidate – Candidate for Virginia State Senate or House of Delegates.

Statewide Candidate – Candidate for Governor, Lieutenant Governor or Attorney General.

Candidate's Campaign Committee – the committee designated by a candidate to receive all contributions and make all expenditures for them or on their behalf in connection with their nomination or election. A Candidate's Campaign Committee may only support one candidate.

Candidate's Election Cycle – an election cycle shall be deemed to begin on January 1 of the year that the candidate first seeks election for the office through December 31 immediately following the election for such office. The election cycle provides for the aggregation of contributions and expenditures for the candidate's campaign finance reporting. Solely for the purpose of filing campaign finance reports a candidate with any activity to report in a new election cycle shall be presumed to be a candidate for reelection in the succeeding election.

Contribution – money or services of any amount, and any other thing of value, given, advanced, loaned, or in any other way provided to a candidate, campaign committee, political committee, inaugural committee or person for the purpose of influencing the outcome of an election or defraying the costs of the inauguration of a Governor, Lieutenant Governor or Attorney General. "Contribution" includes money, services or things of value in any way provided by a candidate to his own campaign and the payment by the candidate of any primary filing fee.

Debt – any and all outstanding financial obligations.

Depository – the account(s) in a designated financial institution established to maintain all monetary receipts of a committee.

Election – any general, primary or special election.

Expenditure – money or services of any amount, and any other thing of value, paid, loaned, provided or in any other way disbursed by any candidate, campaign committee, political committee, inaugural committee or person for the purpose of influencing the outcome of an election or for defraying the costs of the inauguration of a Governor, Lieutenant Governor or Attorney General.

Independent Expenditure – an expenditure made by any person or political committee not made to, controlled by, coordinated with, or made upon consultation with a candidate, his campaign committee or an agent of the candidate or his campaign committee.

In-Kind Contribution – the donation of goods, services, property or anything else of value that is offered for free or less than the usual and normal charge; or payments by a third party for goods and services rather than money. The basis for arriving at the dollar value of an In-Kind gift is as follows: new items are valued at retail value; used items are valued at fair market value and services rendered are valued at the actual cost of service per hour. Services are not to include personal services (outside of the person's professional occupation) for which no compensation is asked or given.

Person – any individual or corporation, partnership, business, labor organization, membership organization, association, cooperative or other like entity.

Petty cash fund – fund established by a campaign treasurer for the purpose of making expenditures or reimbursing verified credit card expenditures of less than \$100. The total must never exceed \$100 and if established, the treasurer must maintain complete records, as required by CFDA, of any expenditure less than \$100.

Political Action Committee (PAC) – any person, association, organization, group of individuals or other committee which anticipates receiving contributions or making expenditures in an aggregate amount exceeding \$200 for the purpose of influencing the outcome of a non-federal Virginia election during a calendar year. Corporations, unions and individuals making independent expenditures of more than \$500 for a statewide election or \$200 for any other election on behalf of or in opposition to a candidate. **Note:** may also be referred to as Political Committee.

Political Party Committee – any state political party committee, congressional district political party committee, political party committee for a county or city with a population of more than 100,000, organized political party group of elected officials which anticipates receiving contributions or making expenditures in whole or in part, for the purpose of influencing the outcome of an election, during the calendar year in an aggregate amount exceeding \$200. Any legislative district, county or city, or local election district political party committee (where population is less than 100,000) or any auxiliary of a political party committee that, in a calendar year, receives contributions totaling more than \$15,000 or makes expenditures totaling more than \$15,000. **Note:** may also be referred to as Political Committee.

Reporting Period – the beginning and ending dates for a campaign finance report.

Solicit – to request a contribution, orally or in writing. This does not include a request for support of a candidate or their position on an issue.

Surplus funds – the funds remaining after the payment of all debts and expenses incurred by a committee.

Treasurer – the appointed bookkeeping officer of a candidate's campaign committee.

CHAPTER 2 – CANDIDATE’S CAMPAIGN COMMITTEE

Starting a Campaign Committee

A candidate becomes responsible for filing reports that disclose the campaign’s financial activity whenever one of the following occurs:

- ⇒ Any contributions relating to the candidacy are received;
- ⇒ Any monies relating to the candidacy are spent; or
- ⇒ Any form relating to the candidacy is filed.

Designation and Registration of a Campaign Committee

Once any one of the above actions has occurred, the candidate must immediately register the campaign committeeⁱ with the appropriate office within 10 days. To register the campaign committee, simply file a [Statement of Organization](#) for a Candidate. This form contains the following information:

- ⇒ Name of the campaign committee;
- ⇒ Name, residence address and party affiliation of the candidate;
- ⇒ Name, residence address of the committee’s treasurer, if appointed;
- ⇒ Identification of the office being sought by the candidate and the date of the applicable general election; and
- ⇒ Identification of the name of the depository institution(s) in Virginia.
- ⇒ Whether or not the candidate intends to file electronically or on paper.ⁱⁱ

If all information remains the same, candidates who are seeking election for the same office in a successive election do not need to file a new [Statement of Organization](#) for each successive election; the original [Statement of Organization](#) will continue in effect until a Final Report is filed or until a change in the information has occurred. Candidate committees have ten days from the date of the change to file an amended [Statement of Organization](#).

Depository Accounts

The campaign committee must establish a single checking account that includes the name of the campaign committee and the name of the candidate. This account must be in a bank or other financial institution located in Virginia. All committee income (including loans) must go into this established checking account and all expenditures must be drawn from this one account.

PERSONAL BANK ACCOUNTS MAY NOT BE USED

The Treasurer may establish a separate Federal Compliance Account in the candidate’s designated campaign depository for complying with the requirements of federal campaign finance law, including without limitation, restrictions on sources and amounts of campaign contributions applicable to federal candidates and officeholders. All contributions and expenditures on this account must be disclosed on a consolidated basis with the candidate’s campaign account. The Federal Compliance Account may only be used to facilitate compliance with FEC regulations and may not be used for any other purpose.

A campaign committee may transfer funds from the established checking account to another account or instrument for the purpose of earning interest on the funds. This can be done as long as:

- ⇒ **Complete records are maintained for each election cycle;**
- ⇒ **Expenditures are made only from the primary checking account; and**
- ⇒ **Before filing a Final Report, the transferred funds and any earned interest are returned to the primary checking account.**

Campaign Treasurers

A candidate is required to appoint one individual, who is a registered voter in Virginia, as treasurer of his/her campaign committeeⁱⁱⁱ. This appointment must be shown on the committee's most current *Statement of Organization*. The designated treasurer must sign the *Statement of Organization* signifying his or her acceptance of the appointment. Any candidate who fails to appoint and report the appointment of a treasurer shall be deemed their own treasurer.

Once appointed, the treasurer may serve indefinitely. When an appointed treasurer resigns or is replaced, in order to relieve the treasurer from assuming the filing obligations under CFDA, an amended *Statement of Organization* must be filed with the appropriate office. When this occurs, the candidate automatically becomes the treasurer until the candidate files an amended *Statement of Organization* designating another treasurer. The candidate is responsible for notifying the proper agencies within 10 days after appointing a replacement.

Amending Campaign Committee Information

Within 10 days of any change to a candidate's campaign committee (e.g., a change in address), the campaign must file, with the appropriate office, an amended *Statement of Organization* or be subject to civil penalties not exceeding \$500.

Closing A Campaign Committee

Incumbents Seeking Re-Election to the Same Office

At the end of an election cycle, incumbents automatically begin filing campaign finance reports for the next election cycle.^{iv} The cover page of each subsequent report should indicate the next general election date and year for that office beginning with the first report that contains financial activity in the year immediately following the election.

Incumbents No Longer Running for Election to the Same Office

If, at any point, the candidate decides not to run for re-election for the same office then they are still required to file all necessary reports related to that office until such time as they file a Final Report or they will be subject to civil penalties for failure to file reports.

Filing a Final Report

Candidates that are unsuccessful in their bid for office, or incumbents that do not intend to seek re-election to the same office in a succeeding election are required to file a final report.

In order to discontinue filing campaign finance reports for a campaign committee^v, the campaign must file a Final Report. All candidates (paper and electronic filers) are required to fill out the Final Report cover

sheet that states that their bank account balance is zero and send it to their local board and/or SBE. The Final Report cover sheet is located on our website.

The receiving office will close a campaign committee **only** if:

- ⇒ **There is no balance, deficit, outstanding debts, or outstanding loans (including loans from the candidate); and**
- ⇒ **Surplus funds have been properly dispersed and reported; and**
- ⇒ **There are no outstanding reports due.**

*****A candidate must file a Final Report when he or she:**

- ⇒ **Is unsuccessful in their bid for office; or**
- ⇒ **No longer seeks election to the same office in a successive election; or**
- ⇒ **Seeks election to a different office; or**
- ⇒ **Is deceased. In this case, the campaign treasurer must sign the Final Report. If the deceased candidate was serving as their own treasurer, the executor of the candidate's estate should file and sign the Final Report. Any excess contributed funds shall be disposed of according to [24.2-921](#) of the CFDA.**

Negative Balances and Outstanding Loans

Neither SBE nor a Local Electoral Board will accept a Final Report if the report shows a negative balance. In this case, the campaign must first amend the appropriate (i.e., prior) reports and resolve the problem. A negative balance is usually due to a failure to report all income (including money from the candidate) or a failure to report or properly disclose In-Kind Contributions.

If there is an outstanding loan to the campaign, the contributor has the option of forgiving the loan and converting it into a contribution. The disclosure report must show the conversion of the loan to a contribution by listing the outstanding amount on Schedule A as a cash contribution and on Schedule E as a loan repayment.

Disposition of Surplus Funds

Once a campaign has decided to submit a Final Report, the committee must no longer be active in fund-raising. If there is no debt, any money remaining is considered surplus funds and must be properly disposed of by one or any combination of the following methods:

- ⇒ **Transferring the excess funds to a campaign committee account for a future election;**
- ⇒ **Retiring the outstanding debts incurred by a previous campaign committee;**
- ⇒ **Returning to the contributors in amounts not more than the contributors' original contributions;**
- ⇒ **Donating to a charitable organization as described in §170 (c) of the Internal Revenue Code;**
- ⇒ **Donating the excess to one or more candidate campaign or political committees; or**
- ⇒ **Defraying any ordinary, non-reimbursed expense related to the candidate's elected office.**

Disposition of Tangible Items of Value

Loaning or giving a pre-owned item of value to a committee without charge is an In-Kind Contribution. The disposition of this type of contribution may be carried out as follows:

- ⇒ **The tangible item may be sold to any buyer for fair market value. The proceeds of sale must be reported as a rebate on Schedule C and used to pay off the debts of the campaign or as part of a surplus distribution.**
- ⇒ **If the committee is indebted to the candidate, the items may be transferred to the candidate to satisfy any or all of the debt.**
- ⇒ **The items may be distributed as non-cash surplus to any eligible recipient described above.**
- ⇒ **If any item is leased, the campaign committee should simply return the item and discontinue the leasing agreement. If any item is loaned to the campaign committee, it should discontinue use and return the item.**

CHAPTER 3 – TREASURERS

Campaign Treasurers

In order to serve as a campaign treasurer a person must be a citizen, resident and registered voter of the Commonwealth of Virginia. However, a treasurer is not required to live in the same district or have the same party affiliation as the candidate. The campaign treasurer must also accept their appointment as treasurer in writing (this is accomplished by signing the *Statement of Organization* for a Candidate form. If any candidate fails to appoint or report the appointment of a campaign treasurer, that candidate will be deemed to have appointed himself treasurer.

An individual may serve as campaign treasurer for more than one candidate. However, each candidate's campaign committee must have a separate bank account.

If the campaign treasurer's position becomes vacant, the candidate will be responsible for notifying the proper agencies within 10 days after appointing a replacement.

Duties and Responsibilities of Treasurers

The treasurer is responsible for the receipt and expenditure of campaign or committee funds for political purposes. The duties of a treasurer can include, but are not limited to:

- ⇒ **Filing complete, accurate and timely contributions and expenditure reports and *Statement of Organization* forms;**
- ⇒ **Signing contributions and expenditure reports and *Statement of Organization* forms;**
- ⇒ **Authorizing expenditures;**
- ⇒ **Monitoring disclosure to ensure compliance with the Virginia Election Laws; and**
- ⇒ **Keeping detailed and accurate records.**

The treasurer is allowed to use an employee or member of the campaign staff to perform mechanical functions such as writing out (but not signing) checks, completing disclosure reports, filling out deposit tickets or making bank deposits.

However, a campaign treasurer may not allow any person (other than the candidate) to sign checks, receive contributions or make expenditures on behalf of the campaign. The ultimate responsibility for compliance with the requirements of the Act always rests with the treasurer and the candidate, and it is the treasurer's or candidate's signature that is required on the campaign reports.

Changes or Vacancies in the Position of Treasurer

The candidate and treasurer must keep their addresses and phone numbers current to help ensure receipt of periodic notices and compliance materials. If the treasurer position becomes vacant, the candidate or committee is responsible for notifying the SBE within 10 days of the change and after appointing a replacement. Failure to do so could result in the assessment of civil penalties. Please be advised that a vacancy in the treasurer's position does not relieve the committee from filing timely disclosure reports.

CHAPTER 4 – REPORT CONTENTS

Contributions and Receipts

In CFDA, a contribution is defined as money and services of any amount, and any other thing of value, given, advanced, loaned or in any other way provided to a candidate, campaign committee, political committee, inaugural committee or person for the purpose of financing, directly or indirectly, the election campaign of a candidate. Money, services, or things of value in any way provided by a candidate to his campaign and the payment by the candidate of any primary filing fee are also contributions. A contribution may be made in the form of:

- ⇒ **Cash;**
- ⇒ **Checks;**
- ⇒ **Credit card; or**
- ⇒ **Gifts of property or services.**

Individuals, partnerships, committees, corporations and labor organizations may contribute in support of or in opposition to candidates for nomination or election to public office. Corporations and unions that contribute from their direct operating funds are not subject to the requirements of CFDA.^{vi} There are no limits imposed by CFDA for contributions given in Virginia; and since CFDA requires full disclosure, anonymous contributions cannot be accepted.

Contributions received by the campaign committee from a contributor whose individual contribution or aggregate contribution total is more than \$100, at the time of reporting, must be reported on Schedule A of the disclosure report. In this case, the name and address of the donor and the amounts and dates of this, and each subsequent contribution, must be detailed.

Contributions by Credit Card

A contribution that is made by credit card may be made either in person or over the Internet. If this method of payment is used, the entire amount charged to the contributor's account must be reported. Any service fees charged to a campaign or committee by the credit card processing agent must be reported separately on the report as an expense by the campaign or committee. Even if the company charges the campaign or committee a "per transaction fee," the fee per transaction shall not be used to reduce the amount of the contribution shown, but must be reported as an expenditure for the campaign or committee for the period being reported.

In-Kind Contributions

An In-Kind Contribution is the donation of goods, services, property or anything of value that is offered for free or at less than the usual and normal charge, or payments by a third party for goods and services. This type of contribution does not include a donation of cash, checks, or promissory notes. In-Kind Contributions must be itemized and reported under the appropriate category of receipts.

Some types of In-Kind Contributions can include (but are not limited to):

- ⇒ **Voluntary contributions of materials for use in making posters and billboards;**
- ⇒ **Voluntary contributions of use of an automobile;**
- ⇒ **Voluntary contributions of free lodging;**

- ⇒ **Voluntary contributions of catering for a reception;**
- ⇒ **Voluntary contributions of printing of literature;**
- ⇒ **Voluntary contributions of office space and equipment;**

Discounts are also In-Kind Contributions. A discount is the difference between the usual and normal charge for goods or services and the amount charged to the recipient committee.

Example 1

A business entity sells to a committee food or beverages that normally would cost \$1000, at a discount of 20%. The \$200 savings by the committee is considered an In-Kind Contribution from the business entity and this amount should be listed on Schedule B of the disclosure reporting forms. The remaining \$800 would be reported on Schedule D as normal.

Although services provided to a campaign or committee can be considered an In-Kind Contribution, the uncompensated time volunteers spend working on a campaign or for a committee – stuffing envelopes, knocking on doors, calling voters, etc. is not considered an In-Kind Contribution.

Example 2

Mrs. Dee Designer, a web page developer, came up with the thought and designs a web page for John Q. Candidate free of charge. Since designing web pages is something Dee would normally charge \$2,500 for doing, Dee has made an In-Kind Contribution of \$2,500 to John Q. Candidate's committee. This \$2,500 counts toward Mrs. Designer's aggregate contributions to date to that candidate or committee.

Dee Designer still wants to do more to help John Q. Candidate. She volunteers to answer telephones at his campaign headquarters and to distribute flyers in the neighborhood. Since answering telephones and distributing flyers is not a service that Dee normally charges for, her activities are not considered to be an In-Kind Contribution to the campaign.

Example 3

Mr. Kind decides to throw his friend, John Q. Candidate, a fundraiser at his home. Since the person's home is not normally rented for this purpose, then the use of the home is not considered an In-Kind Contribution. However, any costs associated with the fundraiser are considered In-Kind. These costs could include, but are not limited to: catering, food, beverages and entertainment.

Contributions During Legislative Session

Contributions or promises of contributions may not be made, accepted or solicited by the Governor, Lieutenant Governor, Attorney General, any member of the General Assembly or any person acting on behalf of these individuals on and after the first day of a **Regular** Legislative Session which annually begins on the second Wednesday in January and continues for no less than 45 days in odd years and 60 days in even years. The **Regular** Session does not end until the General Assembly agrees to *Adjournment*

Sine Die which signifies the end of the Regular Session. Contributions can be made to these candidates during **Special** Sessions or during any other non-Regular Legislative Session.

The restrictions of this section do not apply to contributions made by the Governor, Lieutenant Governor, Attorney General or any member of the General Assembly from their personal funds; or to contributions made to the campaign committee of a candidate in a special election.

Other Contribution Policies

- ⇒ **Purchasing a ticket to attend a campaign fund-raiser is considered a contribution to the campaign(s).**
- ⇒ **If a contribution is from a business entity, the name and address of the entity (not the name of the person who signed the check on behalf of the business) should be entered in the committee's records and in the campaign finance report. Any Independent Expenditure in excess of \$500 for statewide elections and \$200 for any other election will be required to file an [Independent Expenditures Reporting Form](#) available for download on SBE's website.**
- ⇒ **A contribution made by check is considered as received once the check is knowingly in the possession of the candidate or committee.**
- ⇒ **In-Kind Contributions should be reported on the reports as the day that the good or service is received and *NOT* the date the committee is informed of the cost of the good or service. It is the responsibility of the receiver of the In-Kind Contribution to obtain this information.**
- ⇒ **If a candidate campaign committee receives a contribution by a check that is drawn on a joint account, the contributor is the person who signed the check unless documentation that states otherwise is accompanied with the check. If the contributor's identity is unclear, it is the duty of the candidate or committee to contact the contributor(s) to confirm their intention.**
- ⇒ **Candidate aggregates, total receipts and total disbursements are totaled for an election cycle. An election cycle is deemed to begin on January 1 of the year immediately following the election of that seat (or inception of the campaign committee) through December 31 immediately following the election.**
- ⇒ **There are no contribution limits in Virginia.**

Best Practices - Anonymous Contributions

If a campaign receives unsolicited cash contributions in the mail, since there is no name or address and since cash cannot be tossed in the trash and thrown away the treasurer is often confused on what they should do with the money. The receiver of the contribution may donate the money to charity. Acceptance of anonymous contributions would constitute a violation of the Campaign Finance Disclosure Act and the candidate or committee would be subject to the civil penalties set forth in [§24.2-929](#) of the Code of Virginia.

Best Practices - Joint Fundraisers

Although joint fundraisers are not illegal, there are some precautions you may want to take to ensure that your committee is reporting correctly. All contributors should make one check out for each committee participating in the fundraiser. At no time, should a contribution be made to both committees on one check.

Other Receipts

A campaign may receive income from sources other than direct contributions. This type of income is defined as receipts and must be reported on Schedule C (not to include loans) of the disclosure report. The following are types of receipts:

- ⇒ **Investment Returns** are monies received and invested by a committee. Any loss resulting from an investment must be reported as an expenditure on Schedule D and any gain must be reported as interest on Schedule C of the disclosure forms.
- ⇒ **Interest** is monies earned on a committee's depository.
- ⇒ **Rebates** are monies returned to the committee that were originally part of a full payment.
- ⇒ **Refunds** are any portions of an expense returned to the committee (i.e. refund of a deposit)

Returned Check Policy

If a contributor's check is returned by the committee's depository for insufficient funds, or if the check is otherwise not accepted by the committee, then the Committee has the option of not recording the contribution on its Campaign Finance Disclosure report if no report was due between the time the contribution was received and the time that the contribution was returned. If the contribution was reported on a Campaign Finance Disclosure report and later returned by the depository for insufficient funds, then the committee has the option to amend the report by removing the contribution. This policy is to prevent potential public embarrassment from a contributor whose bank account was overdrawn.

Loans

Loans are funds advanced to a committee that must be repaid sometime in the future. Loans must be recorded on Schedule E and Schedule G of the reporting forms. If there is an outstanding loan to the campaign, the contributor has the option of forgiving the loan and converting it into a contribution. The disclosure report must show the conversion of the loan to a contribution by listing the outstanding amount on Schedule A as a cash contribution and on Schedule E as a loan repayment.

Expenditures/Disbursements

An expenditure includes a purchase, payment, distribution, loan advance, deposit, gift of money or anything of value made for the purpose of financing, directly or indirectly, the election campaign of a candidate, a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure; and a transfer of funds between campaign committees.

A candidate, treasurer, or other authorized member of the candidate's campaign staff may be reimbursed, by a check drawn on the designated depository, for the payment of expenses that are paid by check, cash, or credit or debit card; and made on behalf of the campaign and fully documented by complete records of the expenditure, maintained as required by Chapter 9 of the Code of Virginia, including receipts identifying the nature of the expenses and the names and addresses of each person paid by the person receiving the reimbursement.

Petty Cash Fund

A campaign committee may establish a petty cash fund up to \$100 to be maintained by the treasurer. This fund should be used for the purpose of making expenditures or reimbursing credit card expenditures of less than one hundred dollars. The treasurer may replenish the petty cash fund as needed, provided that the total balance of the fund never exceeds \$100. All expenditures from this fund must be kept as part of the treasurer's books and records and must be reported by the treasurer in the same manner as all other expenditures.

Independent Expenditures

An independent expenditure is an expenditure made by a person expressly advocating the election or defeat of a clearly identified candidate, which is made without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate. The candidate that is clearly identified in the communication should not report this expense as an In-Kind Contribution. If the Independent Expenditure is in the form of an advertisement then the political committee is required to follow the laws and guidelines of §24.2-943 et seq. (Stand By Your Ad) by clearly identifying the sponsor of the advertisement and that it was not authorized by any candidate.

Every person (other than a campaign or political committee) who makes an independent expenditure in an aggregate amount of \$200 or more within a calendar year must file a *Independent Expenditure Form* within 10 days of making the expense and the required disclosure reports.

Record Keeping

Every campaign treasurer must keep detailed and accurate accounts of all contributions, expenditures and any other monetary transactions that the respective committee incurs. These records must be kept and maintained until one year after the filing of a Final Report or three calendar years after the December 31 following the election, whichever is later. The records to be maintained include but not limited to:

- ⇒ **Contributors;**
- ⇒ **Lenders; and**
- ⇒ **Recipients of payments.**

When filing a report, these records must be reported in one the following categories:

- ⇒ **Contributions;**
- ⇒ **Rebates;**
- ⇒ **Refunds;**
- ⇒ **Interest earned;**
- ⇒ **Lenders;**
- ⇒ **Expenditures made; or**
- ⇒ **Outstanding debts.**

Recording Contributions

When keeping records, each committee should maintain, at a minimum, the following detailed information. List the following items when documenting contributions:

- ⇒ **Contributor's full name,**

- ⇒ **Contributor's mailing address,**
- ⇒ **Contributor's occupation, employer and location (city/town and state) of principal place of business if the contributor is an individual,**
- ⇒ **Type of business and location (city/town and state) of the corporation or business if the contributor is a business or corporation,**
- ⇒ **Type of committee and the location (city/town and state) of the committee if the contributor is a political committee,**
- ⇒ **Date contribution received,**
- ⇒ **Amount of the contribution,**
- ⇒ **Contributor's total contributions to date and, for In-Kind Contributions, list the basis of how you arrived at the value of the contribution (e.g., actual cost or fair market value) and the good or service that was contributed.**

Best Efforts Policy - When to use "Unable to Obtain"

Certain efforts can be made to secure a contributor's required information.

- ⇒ **Each solicitation should include a request for the contributor's full name; complete mailing address, occupation, name of employer and location (city/town, state and zip code) of principal place of business. The following statement is an example of the language that could be included on any solicitation:**

"Virginia law requires all committees to report the name, mailing address, job title or profession and name of employer or employer's specific field for each individual whose cumulative contributions aggregate is in excess of \$100 in an election cycle."

- ⇒ **If a contribution is missing any required information, then all efforts must be made to secure the missing information.**
- ✓ A written request may be sent to the contributor asking for the required missing information.

If, after sending a written request, any of the required information is still unknown, it shall temporarily suffice to report "unable to obtain" in the field missing the required information along with a copy of the written request to the contributor asking for the required missing information. Once any required missing information is received, the committee must file the amended information, with the appropriate office, immediately or within ten days of being notified by the filing officer of an incomplete report (whichever occurs first).

If the required missing information is not received within the ten days allowed to submit incomplete information, the report that includes the missing information will be deemed "incomplete" and a civil penalty will be assessed.

Best Practices – Record-Keeping

As a result of this policy, SBE strongly recommends that all committees make every effort possible to gather the required information at the time that a contribution is collected even if the contributor's donation is less than \$100. Although this information is not required for contributor's who donate less than \$100, their aggregate contribution may exceed \$100 in the future. If the information is obtained at

the time of the first contribution, time and energy will be saved in the future. Having this information available to the committee will also aid in the solicitation of future contributions.

Best Practices - Common Fundraising Scenarios to Avoid

CFDA requires that all contributions collected by individuals for a committee be accompanied by certain required information. This information includes:

- ✓ **Name and residence address;**
- ✓ **Occupation**
- ✓ **Name of Employer; and**
- ✓ **City/State location of Employer.**

Although this information is not required for contributors who give less than \$100, it is recommended that the committee gather this information for all contributors. It is helpful to have this information on hand in the event that a contributor's aggregate contribution goes above \$100. Otherwise, the committee will spend valuable time tracking down the contributor to obtain the necessary information to file a complete campaign finance report. As a result of this requirement, SBE has provided some examples of fundraising scenarios to avoid:

Pass the Hat

In a "pass the hat" scenario, the persons in the room may already be large contributors. Thus, any additional monies contributed would have to be reported. However, the contributor's required information is not being gathered. Further, it is likely that someone in the room would contribute more than \$100.

Golf Tournaments and the Sale of Mulligans

Often, in order to compete in fundraising golf tournaments, a monetary contribution to the host campaign or political committee is necessary. However, once at the tournament the competitors are able to purchase "mulligans." The money from these purchases may be considered additional contributions to the host campaign or political committee. However, the required information is not gathered and thus the payment for the mulligan is considered an anonymous contribution.

Raffles

Candidate Committees may not, under any circumstance, use Raffles as a fundraising tool. However, Casino Nights may be used given that certain conditions are met. Please see Code of Virginia §18.2-340.15 for more information, or visit the Department of Charitable Gaming's website for more information: <http://www.dcg.virginia.gov/>

Recording Expenses

When recording expenditures list the:

- ⇒ **Full name of the payee;**
- ⇒ **Mailing address of the payee;**
- ⇒ **Item or Service;**
- ⇒ **Name of the person authorizing the expenditure;**
- ⇒ **Date paid; and**
- ⇒ **Amount paid.**

Best Practices – Reporting Item or Service

The committee should make every effort to be as descriptive as possible when reporting the item or service that was provided for the expenditure. Vague or incomplete descriptions should be avoided.

Recording Loan Payments

When recording loan payments list the:

- ⇒ **Date the loan was made;**
- ⇒ **Name and address of the person making the loan and any co-borrower, guarantor, or endorser of the loan;**
- ⇒ **Amount of the loan; and**
- ⇒ **Date and amount of any repayment of the loan.**

CHAPTER 5 – REPORT FILING REQUIREMENTS

Exemption from Reporting

Candidates for local office who do not intend to make expenditures of more than \$1,000 may file along with their [Statement of Organization](#), a Request for [Exemption from Reporting Requirements](#) in lieu of all the reports except the Final Report (which must be filed). In order to qualify for this exemption, the following qualifying conditions must apply:

- ⇒ **The candidate cannot receive or spend monies or funds from any sources other than the candidate's personal funds; and**
- ⇒ **The candidate cannot contribute or spend in more than \$1000 of his own money during the course of the campaign; and**
- ⇒ **The candidate must comply with the requirements of the *Campaign Finance Disclosure Act* throughout the duration of the campaign.**
- ⇒ **The candidate may purchase a voter list from SBE with their personal funds and the purchase of the voter list need not be accounted on the candidate's final report.**

This form must be filed with the Electoral Board of the candidate's county or city of residence. It must be received not later than the date on which the first report is due. **PRIOR** to engaging in activities that would cause the candidate to no longer qualify for the exemption under any of the qualifying conditions; the candidate must file with the Electoral Board a [Rescind Request for Exemption](#) form. Following the filing of that form, the candidate must include in the next scheduled report an accounting for all prior contributions received and/or expenditures made pertaining to the candidate's campaign. Failure to do so would constitute a violation of the Campaign Finance Disclosure Act and the candidate would be subject to the penalties set forth in §24.2-929.

Please note that a depository must still be established and maintained, but the only contribution into the account must be shown as a direct deposit from the candidate's personal funds. An accounting of the activity of this account must be reported on the candidate's final report.

Contribution and Expenditure Reporting Schedules

All Candidate Committees must file financial disclosure statements entitled Campaign Finance Reports according to the appropriate election schedule.

June Primaries and/or November General Elections

Candidates for nomination or election to an office to be filed at a June Primary or November General Election must adhere to the following filing schedule:

ACTIVITY BEGINNING	ACTIVITY ENDING	REPORT DUE
January 1	March 31	April 15
April 1	13 Days Before Primary	8 Days Before Primary
Last Regularly Filed Report	June 30	July 15
July 1	August 31	September 15
September 1	September 30	October 15
October 1	13 Days Before General Election	8 Days Before General Election
Last Regularly Filed Report	23 Days After General Election	30 Days After General Election
Last Regularly Filed Report	December 31	January 15

May Elections

Candidates for nomination or election to an office to be filed at a May General Election must adhere to the following filing schedule:

ACTIVITY BEGINNING	ACTIVITY ENDING	REPORT DUE
January 1	*If Primary Called 11 Days Before Primary	*If Primary Called 8 Days Before Primary
*If Primary Called Last Regularly Filed Report	11 Days Before Election	8 Days Before Election
*If No Primary Called January 1		
Last Regularly Filed Report	June 10	June 15
June 11	June 30	July 15
July 1	December 31	January 15

Special Election Reporting

Candidates for nomination or election to an office to be filled by a Special Election held on a date other than a regularly scheduled general election for that office.

ACTIVITY BEGINNING	ACTIVITY ENDING	REPORT DUE
Inception	11 days Before Special Election	Eight Days Before Special Election
Seven Days Before Special Election	25 Days After Special Election	30 Days After Special Election

Reports as Condition to Qualification for Office

No person will be allowed to take office until they have filed the reports from the applicable schedule listed above. Further, no officer authorized by the laws of Virginia to issue certificates of election shall issue one to any person determined to be elected to any such office, until copies of the reports cited above have been filed as required.

However, a person who is elected to fill a vacancy at a special election held on a General Election Day (May or November) may qualify for the office and be issued a certificate of election in advance of filing the 30-day post-election report, upon the filing of that post-election report complete through the Election Day.

Where to File Reports

- ⇒ General Assembly Candidates that file by electronic means file only with SBE.
- ⇒ General Assembly Candidates that file by paper file the original report with SBE and a copy with the candidate's county or city Electoral Board in the county or city where the candidate is registered to vote.
- ⇒ Statewide Candidates file only with SBE.
- ⇒ Candidates for local offices file only with your county or city Electoral Board.
- ⇒ Candidates for shared local constitutional offices file reports only with the county or city Electoral Board in the county or city where you are registered to vote.

When to File Reports

When a report's due date falls on a weekend or holiday or if the local office where the candidate committee files is closed on the report's due date, then the report is due the first business day immediately following the report due date.

- ⇒ Reports that are mailed to SBE must be received in the office by the deadline for filing the report or faxed and received by the 5:00 p.m. deadline for filing the report with the original copy of the report mailed to the SBE and postmarked by the report due date.
- ⇒ Reports filed with the Electoral Board must be received in the office of the Electoral Board or General Registrar by the close of business on or before the due date. Postmark dates are not accepted for reports filed at this level.

Extension of the Filing Deadline

The Code of Virginia authorizes SBE or the Local Electoral Board to grant an extension of a filing deadline in certain situations. SBE or the Local Electoral Board will not impose civil penalties if an appropriate written request is received by the report's due date describing any of the following situations occurred and the report is subsequently submitted within 5 days of the due date:

- ⇒ **Death of candidate, treasurer or immediate family of either within 1 week of report due date;**
- ⇒ **Hospitalization or other appropriate debilitating illness/injury of candidate, treasurer or immediate family member of either within 1 week of report due date;**
- ⇒ **Personal Computer (PC) failure that prevents timely filing, if accompanied by documented statement from a computer company licensed to do business in Virginia;**
- ⇒ **Fire or natural disaster within 1 week of the report due date, resulting in destruction of equipment or documents required for completing the report.**

Further, the Secretary of the State Board of Elections may grant an extension of a filing deadline for a candidate who serves as their own treasurer and who is called to active duty during a reporting period.

The following excuses are not sufficient and will not be considered for granting an extension of the filing deadline:

- ⇒ **Inclement weather;**
- ⇒ **Treasurer or committee officer transition that may result in a "paper shuffle;"**
- ⇒ **Accidental or intentional destruction of reports and/or materials needed to complete reports;**
- ⇒ **Candidate committee's lack of knowledge of how to file, the need to file or due date of filing; or**
- ⇒ **Candidate's failure to have copies of necessary forms.**

The Secretary of the State Board of Elections has additional authority to extend an established filing deadline for filing during emergency situations that interfere with the timely filing of reports. The extension shall be limited in scope to the areas and times affected by the emergency. The provisions of this subsection is applicable only in the case of an emergency declared by the Governor pursuant to Chapter 3.2 (§ 44-146.13 et seq.) of Title 44 or declared by the President of the United States and confirmed by the Governor by executive order as an emergency.

Special Large Pre-Election Contributions

Any single contribution of more than \$1,000 for a statewide office or more than \$500 for any other office, shall be reported in writing by mail, fax or electronically by the end of the next business day when the contribution is knowingly received or reported by the candidate or his treasurer on behalf of his candidacy:

- ⇒ **Between the 13th day preceding a June primary and the primary date;**
- ⇒ **Between the 13th day preceding a November election and the election date; or**
- ⇒ **Between the 11th day preceding any other election in which the individual is a candidate and the Election Day.**

Any such contribution received within the 24-hour period before Election Day must be reported and the report received on the day before the election.

Any contribution reported as a Large Pre-Election Contribution must also be reported on the report due immediately following the primary or election.

Large Pre-election Contribution reports shall also be required of any candidate for nomination by a Political Party to serve as the party's nominee in a general or special election if:

- ⇒ **The party nominates by any method other than a primary; and**
- ⇒ **At the time the contribution is being made; there are at least two candidates for the nomination pursuant to the rules and procedures of the party.**

In such cases, candidates for nomination must file the reports required for the 13 or 11 day period (outlined above), whichever applies, immediately proceeding the:

- ⇒ **Caucus;**
- ⇒ **Mass meeting;**
- ⇒ **Convention; or**
- ⇒ **Other nominating event, where the nomination shall be finally determined pursuant to the rules of the party and at which delegates are chosen who are bound to support a specified candidate (on at least one ballot) at a subsequent district or state convention required as part of the nominating process.**

How to Report Large Pre-Election Contributions

- ⇒ **Statewide candidates must report Large Pre-election contributions electronically through the SBE website only (faxes are not permitted).**
- ⇒ **General Assembly candidates, who report Large Pre-election contributions electronically, file with SBE only.**
- ⇒ **General Assembly candidates, who report Large Pre-election contributions in writing, file by fax with SBE and their county or city Electoral Board.**
- ⇒ **Candidates for local offices file Large Pre-election contributions, in writing, with their county or city Electoral Board only.**
- ⇒ **Candidates for shared local constitutional offices file Large Pre-Election Contributions in writing ONLY with the county or city Electoral Board where they are registered to vote.**

***All candidates are required to file Large Pre-Election Contribution reports whether running opposed or unopposed in a General election. Large Pre-Election Reports are not required for candidates running unopposed in a Primary election.

Large Contribution Reports for Local Candidates

Large Contribution Reports are only required for incumbent members of county boards of supervisors or city or town councils.

During non-election years, these candidates must report, within 5 business days, any single campaign contribution of more than \$500 or any aggregation of contributions from a single contributor of more than

\$500. All contributions that are reported in this manner must also be reported on the next required campaign finance report. Large Contribution Reports are not required during election years.

The campaign committee must file Large Contribution Reports with the electoral board of the locality where he resides. Any contribution reported pursuant to this section shall also be reported on the first periodic report required by this article following receipt of the contribution.

Other Reporting Policies

- ⇒ **No report can be filed before the date through which activity is required to be complete. The first report filed must include all activity for the entire period from the time the committee received contributions or made expenditures for the purpose of influencing the outcome of an election.**
- ⇒ **The reporting period is the beginning and ending dates for which activity is being reported.**
- ⇒ **In order to close a campaign committee, a Final Report must be filed for that campaign or the campaign will be required to file all required reports for that office's election cycle.**
- ⇒ **If your campaign committee has a cash balance or outstanding obligations, you may not file a Final Report but you must continue to file all required reports for that office's election cycle until no cash balance and no outstanding debts remain.**
- ⇒ **Any statement required to be filed must be signed and certified as true and correct by the candidate, treasurer or other individual required to file it. The security code used by the committee when filing electronically is considered the signature as long as SBE has an Electronic Filing Agreement on file.**

CHAPTER 6 – VIOLATIONS OF THE ACT/PENALTIES

Failure to File or Late Filing

Any committee that fails to file any report, files any report late or fails to provide any required information in any report that as required by the Act will be considered to have violated campaign finance law and may be subject to the following penalties:

- ⇒ **\$500 (maximum) and \$50 (minimum) - Failure to file on time or failure to provide any information required in any report required by Section 24.2, Chapter 9, Article 4 of the Code of Virginia.**

If any candidate known to be required to file campaign finance reports fails to submit a report when due, the State Board of Elections, Secretary of the Local Electoral Board or General Registrar must send a letter to the candidate or committee officer (treasurer or chair) notifying them of the violation and assessing the prescribed civil penalty.

If the required report is not received within ten days of the date of the letter and penalty is not paid within 30 days, the State Board of Elections, Secretary of the Local Electoral Board or General Registrar must notify the appropriate attorney for the Commonwealth to initiate further civil proceedings to enforce the civil penalty.

The State Board of Elections has formerly adopted a Schedule for Assessments of Civil Penalties. To ensure uniformity throughout the state, this Schedule must be followed when the filing officer is assessing civil penalties.

Prescribed Civil Penalties

May Election Schedule

Civil Penalty	Report's Due Date
\$50	8 days before the primary date
\$100	8 days before the May election date
\$50	June 15
\$50	July 15
\$50	January 15

June Primary/November General Election Schedule

Civil Penalty	Report's Due Date
\$50	January 15 (in an election year)
\$50	April 15
\$100	8 days before the June primary election
\$150	July 15
\$200	September 15
\$300	October 15
\$500	Pre-general - 8 days before the November general election
\$200	Post-general - 30 days after the November general election

Special Election Schedule

Civil Penalty	Report's Due Date
\$100	Pre-special election-8 days before the special election
\$100	Post-special election - 30 days after the special election or before taking office.

Non-Election Year

Civil Penalty	Report's Due Date
\$100	July 15
\$100	January 15

Statement of Organization Prescribed Civil Penalties

New Committee

This schedule will be used when SBE or the local electoral board has determined that a candidate campaign committee or political committee has been raising or spending money to influence the outcome of non-Federal Virginia elections, but has failed to file a Statement of Organization:

Length of Delinquency*	Civil Penalty
1-15 Days	\$100
16-30 Days	\$200
31-45 Days	\$300
46-60 Days	\$400
61 Days or more	\$500
Late Filing of Committee formed within 30 Days Prior to an Election	\$500

* Virginia Law states that the committee has 10 days to submit a Statement of Organization form from the date that they have cause to register. The length of delinquency begins on the 11th day after the committee has cause to file a Statement of Organization.

Amended Statement of Organization

This schedule will be used when SBE or the local electoral board has determined that a candidate campaign committee or political committee has not amended their Statement of Organization as a result of changes regarding the information contained in the form on file with SBE within the 10 days as required by law. When determining this fine, the State Board of Elections or the local electoral board must have concrete evidence that the committee in question has had cause to change the information contained on the form, but has not submitted an amended form (e.g. returned mail, phone line disconnected, etc.). Before assessing the civil penalty, the State Board or the local electoral board shall provide written notice to the committee requesting the updated information. If the form is not updated within 10 days of the date of the letter, then the committee shall be considered delinquent and the appropriate civil penalty shall be assessed as follows:

Length of Delinquency*	Civil Penalty
1-60 Days	\$50
61-120 Days	\$100
121-180 Days	\$150
181 Days or More	\$250

* Virginia Law states that the committee has 10 days to submit a Statement of Organization form from the date that they have cause to amend their Statement of Organization. The length of delinquency begins on the 11th day after SBE has contacted the committee requesting the amended form.

Incomplete Reports

Prior to assessing a civil penalty, the State Board of Elections, Secretary of the Local Electoral Board or General Registrar shall notify, in writing, the candidate and treasurer required to file a report, that a filed report has not been completed and citing the omissions from the report. No penalty shall be assessed if the information required to complete the report is filed within ten days of the date of mailing the written notice.

If the information required to complete the report is not filed within the ten-day period, the State Board of Elections, Secretary of the Local Electoral Board or General Registrar will then assess the prescribed civil penalty against the candidate and treasurer.

The State Board of Elections or the Secretary of the Local Electoral Board may grant an additional period for compliance, not to exceed five days, to permit the completion of a filed report for good cause shown and in response to a request filed within the appropriate time frame. However, no additional period shall be granted thereafter for compliance.

Note: The additional periods for filing specified above shall apply only to the completion of a timely filed report and not to any case of a failure to file a required report by the deadline.

Statewide Office Additional Penalties

In addition to any penalties provided above, any candidate for Governor, Lieutenant Governor or Attorney General, and his campaign treasurer, who fail to file any report required in a timely manner or file an incomplete report may be assessed a civil penalty by SBE pursuant to Section 24.2-930 of the Code of Virginia.

Prior to assessing a penalty, SBE shall notify the candidate and treasurer in writing that a report has not been filed or that a filed report has not been completed, citing the omissions from the report. No penalty shall be assessed if the report or information required to complete the report is filed within seven days of the date of mailing the written notice.

If the report or information required to complete the report is not filed within the seven-day period, SBE shall assess against the candidate and treasurer, who shall be jointly and severally liable, a civil penalty of \$300 for each day that the violation continues on and after the eighth day following the date of mailing the written notice. The Secretary of SBE may grant an additional period for compliance, not to exceed two weeks, for good cause shown and in response to a request filed within the seven-day period. However, no additional period shall be granted for compliance with the requirement to file a report not later than the eighth day before the election.

Willful Violations

In the case of willful violation, a committee shall be guilty of a Class 1 misdemeanor and the Attorney for the Commonwealth shall initiate civil proceedings to enforce any civil penalties prescribed. There shall be a rebuttable presumption that the violation of the Act was willful if the violation is based on a committee's failure to file a report required and its failure to file continues for more than 60 days following the actual receipt of written notice of that failure, sent by mail, return receipt requested, by the Virginia State Board or an Electoral Board.

CHAPTER 8 – FORMS AND INSTRUCTIONS

Campaign Finance Reporting Forms

Statement of Organization for a Candidate – use when registering a candidate’s campaign committee.

Standard Cover – is a two-purpose form and should be used when any item of value is received and/or when money is spent or when **No Activity** has occurred during the reporting period. This means that nothing of value, other than interest or dividends has been received and, except for payment of bank service charges, no monies are spent.

- ⇒ **When any item of value is received and/or when money is spent this form must be filed along with Schedules G and H and any other Schedules required by items reported thereon.**
- ⇒ **When No Activity has occurred during the reporting period, file the cover sheet only and check the “No Activity” box. In this case, you will report in the space indicated, the “same balance” as that stated on line 19 of Schedule H of your last report until such time as you file a report for any period in which other activity has occurred. In the meantime, accurate record keeping is essential.**

Final Cover – use when all debts are paid and surplus funds have been disposed. File this sheet along with Schedules G and H and all other schedules required by items reported thereon.

Schedule A – use when itemizing contributions, received by the committee, from persons, organizations and other entities. Itemization is required when:

- ⇒ **The contributions exceed \$100; or**
- ⇒ **The contributor has given previously to the committee and the aggregate to date exceeds \$100.**

Specifically,

- ⇒ **Once a contributor has been itemized on Schedule A, report all subsequent monies from that contributor, regardless of the amount.**
- ⇒ **Do not list any contributors who were itemized on previous reports but who have not donated to the Committee during a current reporting period.**
- ⇒ **Do not add contributions of an individual and a related business or organization. Treat each entity as a separate contributor and track aggregates accordingly.**
- ⇒ **All itemized contributors must be alphabetized on Schedule A. Use the last name for individuals and the first letter of the business or corporate name (not including articles such as “THE”) when alphabetizing. There is no need to separate corporations, political committees, individuals, or other entities onto separate schedules; submit one alphabetized list for all itemized contributors.**
- ⇒ **If the check is drawn on a joint account, enter the name of the person signing the check as the contributor, unless a letter stating otherwise accompanies the check. Both account holders must sign the letter.**

Schedule B – use when itemizing “in-kind” contributions that exceed \$100 in aggregate donations to the committee from persons, organizations and other entities. Itemization is required when:

- ⇒ **Over \$100 in value; and**
- ⇒ **A gift of services or goods.**

An In-Kind Contribution does not include volunteer services.

*The aggregate for a contributor includes **both** monetary (listed on Schedule A) and In-Kind Contributions.*

Schedule C – use when reporting receipts of refunds, rebates, interest paid and profits on investments made to the Committee.

Schedule D – use when reporting all disbursements of Committee funds.

- ⇒ **Expenditures should be listed in chronological order.**
- ⇒ **The item or service purchased must be described in sufficient detail to inform the reader of the purpose of the expenditure (i.e. fund-raising expense, travel, payroll, printing and mailing). Avoid vague or incomplete descriptions such as “expenses.”**
- ⇒ **Credit card payments must be itemized.**

Schedule E – use when reporting any loans received or repaid. A loan includes any money paid to the Committee, for which the lender expects to be repaid. A loan may be made by any entity.

Schedule F – use when listing any debt that is outstanding as of the close of the reporting period. A debt includes loans payable, services or goods contracted for by the committee for which payment has not been made (i.e., credit purchases), and any other contract or financial obligation of the campaign. This schedule does not have to be alphabetized.

Schedule G – use to present a summary of the contributions, receipts, expenditures and loan transactions that occurred for a specific reporting period.

Schedule H – use to present a summary of the contributions, receipts, expenditures during the election cycle (calendar year for a committee.)

Schedule I – use to report any surplus funds being paid out by a committee.

Large Pre-Election Contributions – used for reporting monetary and “In-Kind” contributions over \$500. See Special Large Pre-Election Contributions [Chapter 5] to determine when reporting is required.

Large Contributions for Local Candidates – used for reporting monetary and “In-Kind” contributions with an aggregate over \$500 during non-election years to incumbent candidates for Boards of Supervisors and City and Town Councils.

ENDNOTES

ⁱ A candidate may not have more than one candidate's campaign committee registered as the financing mechanism for the campaign. Any candidate who has registered a campaign committee may not establish, authorize or assist in the establishment of any other committee to promote the candidate's campaign.

ⁱⁱ This section should only be filled out by candidates for the General Assembly. As of July 1, 2004, local candidates cannot file electronically and statewide candidates are required to file electronically.

ⁱⁱⁱ An individual may serve as treasurer of multiple committees. However, each committee must maintain separate bank accounts.

^{iv} This designation on the reports is **NOT** a commitment or announcement to run for office in the next election. That declaration will be accomplished through other means that can be completed at the timing of the candidate's choosing. This designation is for the Campaign Finance Division's administrative purposes only and is directed for us to do so pursuant to [§24.2-906](#) (Second Paragraph).

^v A candidate who does not file a final report is required to file all subsequent reports related to the office sought. Therefore, in an election year, the candidate would then be responsible for filing all required reports during the election year for the office they initially sought. Failure to file the required reports will result in civil penalties for the committee.

^{vi} Persons, corporations and unions that make an Independent Expenditure are subject to the reporting requirements in §24.2-910(B). Any Independent Expenditure in excess of \$500 for statewide elections and \$200 for any other election will be required to file an Independent Expenditures Reporting Form available for download on SBE's website.